

**EGPR STAKEHOLDERS ADVISORY GROUP/
STATE AGENCY ADVISORY GROUP MEETING**

February 19, 2002

1:00 – 4:00 p.m.

Department of Health Services Auditorium, Sacramento

Welcome and Introductory Remarks

Terry Roberts, State Clearinghouse Director, Governor's Office of Planning and Research

- Welcome on behalf of OPR. Tal Finney is unable to attend the meeting due to illness.
- Many thanks to the Department of Health Services, especially Richard Rodriguez and Priscilla Dixon, for the use of the auditorium and their help with setup of the room. Thanks also to Kimberly Gates from the Health and Human Services Agency for the use of DHS facilities.
- This is the first joint meeting of OPR's advisory groups in which we bring together diverse interests for interaction and debate regarding the nature and character of the report.
- Today's meeting will focus on the handout "EGPR Organization" which will allow OPR to begin writing portions of the EGPR which we will share with the advisory groups in May.

Project Update

Anya Lawler, State Clearinghouse Policy Advisor, Governor's Office of Planning and Research

- EGPR information, including agendas and meeting notes, is now available on OPR's website, www.opr.ca.gov.
- OPR is moving forward with the formation of the Planning Advisory and Assistance Council (PAAC). Please submit any suggestions for PAAC members to OPR by mid-March.
- Due to questions at the last Stakeholders' meeting, information sheets on the Resources Agency's Legacy Project and Cal/EPA's EPIC project are included in today's meeting packets. Let us know if there are other programs or projects referenced at these meetings that you would like more information on.
- OPR has been re-thinking the process we will follow to complete the EGPR and as a result we have revised the schedule of meetings for the Stakeholders Advisory Group. This group will meet three more times, on May 22, August 14, and October 22. This new schedule is designed to make sure that meetings coincide with the completion of drafts of specific sections of the EGPR to comment on and discuss. We also may tap our various advisors over the next six months to do some research and writing and to meet in smaller groups to discuss specific issues. We hope that by limiting the number of large group meetings, you will have more time to participate in these other activities. Requests for participation outside of large group meetings will come on an as-needed basis. A calendar of meetings for the State Agency Advisory Group will be distributed along with the meeting notes.
- If you are new to either advisory group and/or missed any prior meetings, feel free to call or e-mail OPR for background information and update on the project.
- OPR is working to develop a public participation program that will be feasible given major budget constraints. In addition, the California Policy Reform Network has generously offered to assist with outreach. Nick Bollman has invited OPR to participate in seven regional dialogues around the state over the next few months to get input on AB 857 implementation and the EGPR. For more information on these dialogues, contact Seth Miller at the California Center for Regional Leadership at (415) 882-7300. (Note: Madelyn Glickfeld from the Resources Agency offered to coordinate EGPR discussions at four upcoming regional meetings on the Legacy Project.)

Recap of Previous Meetings

Anya Lawler

At the last meeting of both the Stakeholders and the State Agency Advisory groups, participants were asked to brainstorm on two questions: What is the greatest threat or the most dangerous trend facing California? What opportunities does the state need to seize now or risk losing? Participants were also asked to think about what state government might be able to do to address the threats or seize the opportunities. There was a lot of similarity in the answers given by both the stakeholders and the state agencies. Participants identified a broad range of threats, challenges, problems, and dangerous trends, and also a number of opportunities. The question of what state government could do was a bit more challenging to address. Hopefully today's discussion and future meetings will get us thinking more about state government's role, both in terms of opportunities and limitations.

Some of the most commonly mentioned threats, challenges, problems, or dangerous trends included:

- A failure by all levels of government to engage in meaningful long-term planning
- Confusion about the state's priorities, goals, and policies
- Conflicting state mandates that cause headaches at the local level
- Unstable revenues and fiscal constraints that make it difficult to make good long-term decisions
- Water supply and quality issues across all sectors (agriculture, urban, environment)
- Sprawling development patterns and the loss of valuable farmland, open space, and habitat
- Housing issues, including a shortage of housing in general, a shortage of affordable housing, the mismatch between where jobs are and where housing is being built, and a lack of housing choices
- Transportation systems, including roads, airports, and public transit, are operating over capacity
- Land use patterns don't support alternatives to automobile usage, which has implications on equity, access, air quality, obesity, etc.
- Widening economic divide and growing social and racial isolation
- Failure to maintain existing infrastructure
- Energy issues
- Changing demographics and a failure to understand the implications
- Lack of civic engagement on growth-related issues and growing voter apathy in general
- Perception that the needs of one group or region are often balanced on the backs of another group or region.

Despite the numerous threats and challenges, participants also felt that there are many areas of opportunity. Some of the most commonly mentioned opportunities included:

- "Crises" in general are an opportunity. Dialogue around water, energy, infrastructure, etc., is an opportunity to rethink how we do things and come up with better ways.
- The current budget situation presents a tremendous opportunity to restructure the state's fiscal system in a way that provides greater revenue stability for all levels of government.
- Three planning priorities are an opportunity to ensure that state policies and funding decisions are aligned around a common theme
- Need to make sure we take advantage of all federal dollars available California
- Voters continue to demonstrate a willingness to pass bonds and/or taxes for things that they value—schools, housing, parks, water, etc.

In terms of what the State could do, common suggestions included:

- Speak with one voice across agencies and departments and clearly articulate goals and priorities
- Eliminate conflicts among state departments
- Prioritize state planning and funding around the three planning priorities

- Prioritize state planning and funding around the concept of sustainability and the three E's (environment, equity, and economy)
- Provide incentives for cities and counties to embrace the three planning priorities while still preserving local control
- Plan and act in an integrated manner. Single-focus state agencies and departments need to work together better, communicate early on planning efforts, and understand the linkages between their various missions
- Restructure the state/local fiscal relationship
- Don't just write plans; implement them
- Create a stable planning environment
- Understand the importance of regions

Introduction to "EGPR Organization"

Terry Roberts

- The purpose of this discussion is to achieve an understanding of and receive comments on the EGPR organization. This is not meant to be a defined table of contents or report outline. It is intended to serve as a discussion tool about the organization of the report and will be revised based on comments.
- This proposed organization is the result of approximately 18 months of discussion and research by OPR, including discussions at previous advisory group meetings.
- This proposed organization is intended to provide flexibility to address a broad range of issues and topics, including those that were raised at previous advisory group meetings. It does not call out every issue as a specific category because we want to avoid segmenting topics, but rather deals with the issues in an integrative way. Key themes such as environment, equity, and the economy will be woven throughout the document.
- Our discussion today will focus on sections III and V of the report organization.
- Please provide specific thoughts on both how the report should be designed and what it should cover. Help us to move from the "vision" to dealing with the real-life constraints and limitations. Please make specific suggestions, especially about current and potential conflicts.
- OPR has two tasks: prepare the EGPR and create a conflict resolution process. These two tasks are related but separate. One goal of the EGPR is to prevent conflicts before they arise so that the conflict resolution process is needed only as a last resort.

Discussion of "EGPR Organization"

All

- The EGPR should include (perhaps in section II) an analysis of barriers and impediments to good planning.
- Need to clearly articulate the various themes, such as equity, that OPR intends to weave throughout the EGPR. This could be done in an introductory paragraph to the outline. Right now there is no way to tell what these themes are and it may lead people to think that they are being overlooked.
- The document should include an analysis of the current statutory requirements of state agencies and how they perform with respect to those requirements.
- Context and projections should include a section on infrastructure.
- The document should include an analysis of conflicts that arise from statute and/or regulations.
- The section analyzing governance and fiscal structure (section IV-D-3) should include a specific discussion of constraints and financial limitations for the state and for local governments.
- The section on demographics (see section IV-A-3) should include a discussion on the implications of demographic projections. For example, what are the implications of an aging population?

- There was some discussion about whether goals, policies and implementation measures should be kept together (as they usually are in city and county general plans) or whether they should be kept separate in order to show implementation measures that might relate to multiple goals and policies.
- The document should have an analysis of the state's structural capacity to carry out the policies and implementation measures.
- The document should be written in a way that appeals to the public; it should assist the public in understanding government, feeling more connected to it, and seeing that state actions are closely tied to defined policies and goals.
- Perhaps the document could propose a unified or coordinated state-level project approval process.
- Implementation measures should also identify indicators to monitor performance.
- The EGPR could be split into a goals and policies document and a separate technical document.
- The three planning priorities will be reflected in the report, but may or may not be explicitly stated as principles or goals. The goals and policies of the EGPR should seek to do more than just support the three AB 857 planning priorities.
- Key terms, including "policies," "goals," "priorities," and "implementation," should be defined.
- The document should incorporate examples of successes, other state or local projects or visioning processes. It should highlight successful collaborative planning efforts already underway in the state.
- The document should strive to be very specific and serve as a practical guide for agencies to follow.

Introduction to Small Group Discussion

Scott Farris, Senior Policy Advisor, Governor's Office of Planning and Research

- To address the group's desire to move into a more concrete discussion of what the EGPR might look like, the small group discussion topic is being changed from that listed on the agenda.
- Despite the change in discussion topic, this exercise is still intended to be an important step toward the development of Section 3 of the EGPR, which will describe the underlying goals/values for the EGPR, provide the fundamental rationale for the succeeding recommendations, and, to a degree, describe a preferred future vision for California.
- The point was made that sometimes policy recommendations are never implemented because the case is not well made as to why the recommendation is beneficial and that too often the benefits are assumed and not articulated. The EGPR will have to clearly articulate the rationale behind the goals and policies it sets forth in order to have an impact.
- To begin the discussion behind Section 3, each small group should discuss the three AB 857 planning priorities and talk about why they are useful, what practical benefits they provide, and how they might lead to a better quality of life. Everyone is also encouraged to voice concerns with any or all of the priorities and discuss the potential pitfalls.
- If your group finishes the discussion on all three planning priorities, apply the same questions to other priorities or goals that you would recommend including in the EGPR.
- OPR still wants to solicit ideas for Section 3 of the EGPR. Everyone is encouraged to submit comments on vision, guiding principles, etc.

Summary of Small Group Discussions

Comments of Planning Priority #1:

To promote infill development and equity by rehabilitating, maintaining, and improving existing infrastructure that supports infill development and appropriate reuse and redevelopment of previously developed, underutilized land that is presently served by transit, streets, water, sewer, and other essential services, particularly in underserved areas, and to preserving cultural and historic resources.

- The term "infill" needs definition

- The EGPR should incorporate visual illustrations of infill (a picture is worth 1000 words)
- Putting a priority on infill can help create a sense of respect for undeveloped land and can result in better land management.
- Infill revitalizes existing communities, which reduces the pressure to sprawl
- Infill needs to be one part of a coordinated approach to land use, with policies about parks and fiscal revenues also considered.
- Infill maximizes use of existing infrastructure
- Aging infrastructure needs rehabilitation and ongoing maintenance to support infill development, which is costly. The infrastructure costs make infill less attractive for some developers.
- In spite of the expense, improving infrastructure to support denser urban infill still has a lower per-capita infrastructure cost over time than building new infrastructure for low-density suburban development.
- Infill discourages leapfrog development and promotes equity through improved access to services, more equitable sharing of benefits and burdens, and improved job opportunities.
- Infill is too narrow a term for all the ideals of land re-use.
- Infill needs to be integrated into a broader strategy with inclusionary zoning, transportation and other infrastructure improvements, etc., in order to be truly effective in achieving equity goals.
- Infill has positive effects on:
 - housing availability
 - housing options (greater variety of housing types available)
 - air quality
 - safety, crime reduction
 - integration of demographic and economic groups
 - infrastructure efficiency and costs
 - development pressure on open space and agricultural land
 - cultural choices
 - economic competition
 - community involvement and social interaction
 - educational quality and opportunity
 - public health
 - political empowerment
 - traffic congestion
 - efficient use of tax dollars
 - economic development in downtowns and “inner city” areas
 - transportation efficiencies
 - integrated communities
- Benefits of infill can apply to small towns and suburban areas as well as to urban areas.
- Infill can result in better access to and more efficient delivery of public services, including transit, fire, police, water, sanitation, schools, and medical services.
- Good design is critical to making infill successful.
- Infill can make money if done well.
- Infill is a niche market that does not appeal to all Californians. It is only one part of the solution in terms of accommodating future growth and allowing for personal choice in where to live.
- Infill does not necessarily equal higher density, nor does it necessarily mean mixed use. If these are the desired outcomes, this needs to be clearly stated and incentives provided.
- There are costs associated with infill, such as removing decayed structures, creating oversized structures, displacing the poor, and decreasing open space in cities.
- Infill can also increase crime and lead to gentrification and displacement of the poor if it is not well designed

- Infill involves using land with existing environmental impacts with associated cleanup costs. Solutions using market forces will be more effective.
- A solution to incentivize infill may be to have a “reverse Williamson Act” that pays for development rights that offset higher costs associated with infill.
- In addition to an environmental impact report, perhaps a health impacts report should be required for new development projects.
- Idea of an integrated impacts plan with all parties involved in and impacted by an infill project to ensure social equity.
- Infill can result in increased traffic congestion and have negative impacts on air quality.
- Need to take a hard look at what types of actions the state can really take to promote infill, and also look at state-level barriers that need to be removed.

Comments on Planning Priority #2

To protect environmental and agricultural resources by protecting, preserving, and enhancing the state's most valuable natural resources, including working landscapes such as farm, range, and forest lands, natural lands such as wetlands, watersheds, wildlife habitats, and other wildlands, recreation lands such as parks, trails, greenbelts, and other open space, and landscapes with locally unique features and areas identified by the state as deserving special protection.

- Open spaces, whether they are working landscapes, wildlife preserves, or other undeveloped areas, help define communities and their boundaries.
- Open spaces are part of California’s sense of self.
- Protecting open spaces is an easy sell politically.
- Priority #2 protects/enhances:
 - food security and agricultural output
 - quality of life
 - recreational opportunities
 - habitat and species diversity, whole ecosystems
 - land for future generations
 - agricultural economy and jobs
 - Jeffersonian ideal of farmer culture—we are all two degrees of separation from a farm
 - tourism
 - public health
 - tax dollars (e.g. fire protection services are costly for leapfrog developments/ranchettes)
 - flood control
 - water quality
 - communal space and broader community access to it (parks in gated communities should not be confused with open space with true public access)
 - ability of resource lands to remain productive
 - equity
- More protected open space and agricultural lands forces more compact, efficient urban growth patterns
- Important to differentiate between open space and working lands.
- Protecting all open space can also mean not meeting housing needs and thus increased housing costs. Land is needed to build housing to accommodate population growth.
- Open space is often a factor in business and residential location decisions. People want to be near open spaces, which can actually lead to greater pressure on open spaces by pushing development out further.

Comments on Planning Priority #3:

To encourage efficient development patterns by ensuring that any infrastructure associated with development, other than infill development, supports new development that does all of the following: uses land efficiently; is built adjacent to existing developed areas to the extent consistent with the priorities specified pursuant to [Planning Priority #2]; is located in an area appropriately planned for growth; is served by adequate transportation and other essential utilities and service; and minimizes ongoing costs to taxpayers.

Note: Most groups ran out of time to discuss Planning Priority #3, so comments were minimal.

- Even if all infill opportunities are exhausted, new suburban development will still be necessary to accommodate California's anticipated population growth.
- More compact new development uses infrastructure more efficiently and is thus a better use of state infrastructure funds
- Efficient development patterns reduce pressure to develop open space and agricultural land, slows conversion rates from agricultural and open space uses to urban uses.
- Suburban development patterns are already becoming more efficient, with more housing built on every acre of land
- Suburban housing is often more affordable and provides opportunities for homeownership to a wider range of the population
- Suburban development is the choice of most people
- More compact new development supports more transportation options. Public transportation, walking, and bicycling can't be viable options unless development is more compact and land uses are mixed (i.e. housing, shops, and schools are located close to one another).

General Discussion/Comments

All

- The three planning priorities promote the reinvention of cities, resource conservation, and new approaches to urban planning while taking advantage of economies of scale.
- The three planning priorities needed to be looked at as a package and not as individual goals in order to achieve maximum benefit for the economy, the environment, and quality of life. They should not be viewed as having an order of importance, but as three priorities that need to work in concert with one another.
- Other groups argued that infill opportunities should be exhausted before moving to new development.
- Need to remove barriers to joint use of buildings.
- New development, whether infill or suburban, should make better use of green infrastructure
- The three planning priorities do not improve the quality of life for rural Californians and may actually impede development in rural areas. Concerns include:
 - How will needed linear infrastructure (roads, rail, high-speed rail, etc.) be constructed and maintained for rural residents?
 - How can rural economic development occur and be encouraged?
 - LULUs (locally undesirable land uses) such as landfills, airports, and incinerators will continue to be pushed to rural areas.
- Need a variety of housing choices—single-family homes of varying sizes, townhouses/condos, apartments, etc.—in all settings, urban, suburban, and rural.
- Shifting demographics need to be understood in terms of what types of housing needs to be provided. For example, an aging population may require fewer large single-family homes and more townhouses.
- The lack of a true regional planning framework in California is a major challenge to changing development patterns.
- The three planning priorities do nothing to address the issue of fiscal instability.

Presentation on Rural California Program and Service Delivery Strategy Project

Toni Symonds, Director, California Rural Policy Task Force

Please see handouts distributed for this portion of the meeting.

Concluding Remarks

Terry Roberts

- The EGPR will be the Governor's report, but advisory group input is essential to create a document that is usable and effective. Please help us identify pitfalls. The Governor wants to know what stakeholders think.
- The EGPR statutes contains direction for the focus and content of the EGPR. AB 857 adds three new planning priorities with which the EGPR must be consistent. The three planning priorities will guide several activities of the state: writing the EGPR, the development of agency functional plans, and the Department of Finance analysis of infrastructure spending.
- Please submit additional comments on the organization of the EGPR by March 14.
- Please submit suggestions of members for the PAAC by March 21. Suggestions should include both contact information and a brief paragraph about the person.

Action Items:

For Advisory Group Members:

1. Submit comments on the EGPR Organization document to Anya Lawler by March 14, 2003.
2. Submit comments specifically related to Section III of the EGPR Organization document to Anya Lawler by March 28, 2003.
3. Submit recommendations for members of the Planning Advisory and Assistance Council (PAAC) to Anya Lawler by March 28, 2003.

For OPR:

1. Define terms such as priority, principle, goal, policy, infill, etc.
2. Distribute calendar of upcoming advisory group meetings.
3. Post an EGPR webpage on the OPR website.

Meeting Attendees

NAME	AFFILIATION
Katie Benouar	Caltrans
Gary Binger	Urban Land Institute
Nick Bollman	California Center for Regional Leadership
BB Blevins	Cal/EPA
Jordan Brandman	Office of the Secretary for Education
Paige Brown	Corporation for Enterprise Development
Patricia Campbell	County of Mendocino
Dennis Castrillo	Office of Emergency Services
Judy Corbett	Local Government Commission
Cathy Creswell	Department of Housing and Community Development
Marc de la Vergne	Planning and Conservation League
Francisco Estrada	MALDEF
Tim Frank	Sierra Club
John Gamper	California Farm Bureau Federation
Kimberly Gates	Health and Human Services Agency
Sande George	California Chapter, American Planning Association
Bill Geyer	Resource Landowners Coalition
Madelyn Glickfeld	Resources Agency
Doug Grandy	Department of General Services
Nancy Hanson	Energy Commission
Scott Harvey	CALAFCO
Carl Hauge	Department of Water Resources
Bill Higgins	Institute for Local Self Government
Rex Hime	California Business Properties Association
Ted James	County of Kern
Tom Jones	California Futures Network
Vivian Kahn	California Planning Roundtable
Kurt Karperos	Air Resources Board
Fred Klass	Department of Finance
Jeffrey Lambert	California Chapter, American Planning Association
Julia Lave-Johnston	California Research Bureau
Richard Lyon	California Building Industry Association

Bob Marr	Employment Development Department
Charles Mason	Surface Transportation Policy Project
Jere Melo	City of Fort Bragg
Sean Miller	Office of the Secretary for Education
Seth Miller	California Center for Regional Leadership
Jonas Minton	Department of Water Resources
Dean Mischynski	California Research Bureau
Barbara Moore	Office of Criminal Justice Planning
Valerie Nera	California Chamber of Commerce
Bob Reeb	Association of California Water Agencies
Jessica Riggs	Treasurer's Office
Richard Rodriguez	Department of Health Services
Wayne Schell	California Association for Local Economic Development
Anne Seeley	Department of Health Services
Josh Shaw	California Transit Association
Katie Shulte-Juong	California Urban Water Conservation Council
Nathan Smith	Caltrans
Charlotte Strem	University of California
Jack Striegel	Department of Mental Health
Giselle Vigneron	State and Consumer Services Agency
Victor Weisser	California Council for Environmental & Economic Balance